

National Disability Insurance Scheme

In August 2011 the Council of Australian Governments agreed on the need for major reform of disability services after extensive lobbying by people with disability and their advocates. The proposal for a National Disability Insurance Scheme (NDIS) was an outcome of the Productivity Commission's inquiry into disability care and support. **From 1 July 2016 the NDIS was rolled out nationally following three years of trials at specific locations. From the outset, the scheme revealed itself as not being as positive as many had hoped.**

Funding

On 1 July 2014 the Medicare levy was increased from 1.5 to 2% in order to provide a stable funding base for NDIS. The Medicare levy is a flat impost on taxable income; not a progressive tax which would require those on larger incomes to pay a proportionally larger share.

From the outset, the NDIS has been something of a political football for the federal Coalition government. In February 2017, on the failure of the Senate to pass a bill intended to cut government spendingⁱ, then Prime Minister Malcolm Turnbull, claimed that the NDIS was left unfunded by Labor and threatened to increase taxation to fund the \$22 billion scheme.

In its 2017 budget, the Coalition government pledged to increase the Medicare levy again to 2.5% in order to fund the NDIS shortfall. In April 2018, however, then federal treasurer Scott Morrison announced that the government had abandoned its plan to increase the Medicare levy, claiming that funding would be secured in perpetuity from increased tax receipts resulting from growing the economy.

In order to provide for a reasonable standard of life for the 460,000ⁱⁱ people who will access NDIS when it is fully rolled out, NDIS funding must be guaranteed in the short term, through increased taxation on wealth and big business if necessary. While Socialist Alliance maintains that the NDIS should be replaced with a genuine needs based support system, funding for the NDIS must be guaranteed in the meantime.

Who is eligible?

Socialist Alliance believes that all people with disabilities should have access to the NDIS on the basis of self-assessment, regardless of the severity, their age, employment or visa status. Unfortunately, it is proving to be a struggle for many people with disabilities to even access the scheme. This been doubly difficult for those with cognitive disability.ⁱⁱⁱ

Those aged over 65, unless already “participants” in the scheme, are ineligible for NDIS funding, leaving older disabled people stranded, particularly as state governments wind back their schemes with the rollout of NDIS.

What's the plan?

NDIS participants are provided with an annualised “plan”, which details the funding they are to receive in any of a range of line items, such as assistance with personal care, funding for transport, or improved health and well-being. Participants must then take the plan to the disability services provider market and negotiate a service agreement with a provider (or a number of providers for different types of support) to begin receiving NDIS funded support.

The plan is delivered to the participant by the NDIS planner. While a “planning meeting” is held, the final decision about the level and purposes of the funding rests with the bureaucrat. The only means that a participant has to challenge the amount of funding they receive and what it can be spent on is to request a full review of their plan, a lengthy, time-consuming and stressful process, with no guarantee of success. At the end of the year’s funding (sometimes less than a year), the NDIS participant must once again go through the whole process of applying for funding for the next year.

Funding for disability services must be provided on a needs basis. Socialist Alliance believes that people with disabilities should not be forced to justify why they need ongoing funding.

People with a disability should be central to all decision-making. As a first step, a person with disabilities, or their representative, must be able to negotiate directly with the NDIS planner in an open and transparent process to ensure that their needs are properly met, eliminating the need for time consuming reviews.

Participants and providers

People with a disability who receive funding (a plan) from NDIS are described as “participants”. NDIS encourages participants to seek to maximise the amount of service they receive within their plan funding by negotiating payment rates with their support providers (“providers”). In essence, this turns the interests of participants against those of the providers, and their (generally low-paid) staff^{iv}.

Socialist Alliance believes that the interests of people with disabilities and those who are paid to care for them are aligned, and rejects the attempt of NDIS to turn them against each other. It is in the interest of people with a disability that those who work in the disability sector are properly paid and not forced to work additional hours, or additional jobs, just to make ends meet. Equally, it is in the interests of disability workers to ensure that the people they provide services for are given the best possible support to maximise their ability to engage as full citizens in society.

The NDIS has paved the way for NDIS entrepreneurs, who are investing millions on the expectation of guaranteed revenue (and profits) from the NDIS over the years to come^v. Socialist Alliance believes that the disability care sector should be community-based and democratically run. The lives of people with a disability are not-for-profit.

Democratic control

Socialist Alliance believes that provision of disability support should be based on the person with a disability's needs as self-assessed by the individual, where possible (we are all experts in our own body's needs).

Socialist Alliance believes in democratic governance of all disability funding-support bodies, including the current NDIS. The NDIS should be fundamentally reorganised, with governance provided by a board with the majority of people with a disability. The board should be elected on an annual basis by participants. The board should organise an annual policy conference, open to all people with a disability and their advocates, to set binding policy for the NDIS.

Comment [GM1]: I'm not sure what I was trying to say either. However, I think that a board of governance for NDIS should be elected by participants on an annual basis.

The future of disability care

In the long term, the framework for disability care provision must be the decision of people with disabilities themselves. Socialist Alliance supports empowering people with a disability to make decisions about their future, including the form and content of a national disability support scheme. In that context, Socialist Alliance wishes to be part of a discussion of the future of disability support in Australia, and offers the following policy points as a contribution to that discussion:

Socialist Alliance is opposed to any changes in the system of service delivery that will leave people with disability and workers in the sector worse off.

While we share many of the concerns being expressed by people with disability and disability rights advocates, we also recognise that it has been overwhelmingly supported by a majority of people with disability and their families/care givers/supports. Its development carries their hopes for a system that will provide a level of much needed—and long overdue—support to individuals with disability and their carers/families.

The following points aim to provide a framework for that discussion and critique of DisabilityCare:

- The Socialist Alliance supports the implementation of a universal and free national system with increased funding as a necessary prerequisite to working towards full participation and inclusion of people with disability and their families in society.
- People with disability and their organisations must be the central decision-makers in shaping the design, implementation and monitoring of the system.
- The development of the system must be accompanied by a commitment to legislative and structural changes as they relate to making all infrastructure – housing, public and commercial buildings, transport, education, employment, recreation and culture – fully accessible.
- Eligibility to the system must not fall into the trap of applying a medical model to disability. It must be inclusive, regardless of type, severity and episodic nature, age, visa status and how disability was acquired. Psycho-social disability must be included.

- Assessment of requirements for services, support, equipment and aids must be guided by a self-assessment of the person with disability as the expert of their personal and life situation. Where self-assessment is not possible, independent (of government and service providers) culturally appropriate advisers must be consulted in addition to family and carers.
- ~~The Socialist Alliance understands that people with disability support the principle of self-directed and individualised supports as it provides a level of control not experienced with the current system, however we reject the idea that the use of the market for providing disability services provides genuine choice;~~
- Socialist Alliance opposes any attempt – formal or informal – to categorise workers in the sector as being in a “private and domestic” relationship with the person/people they support as this is a convenient ploy to further undermine workers’ wages and conditions.
- All workers providing support and other services funded by government should receive the same wages and conditions as those currently working within the state public sector.
- Government must be responsible for ensuring that where relevant services are not readily available (e.g. culturally specific or a service located in a remote or regional area), these services and supports are provided. There must be a flexible, comprehensive service system guaranteed especially as it relates to smaller population and needs groups.

While Socialist Alliance welcomes increased funding to disability services and supports the principle of self-directed and individually tailored supports, we oppose the market service delivery model enshrined in the NDIS in which ~~Socialist Alliance rejects the assertion of the Productivity Commission that disability services, and the allocation of funds to them, are best regulated via a marketised system of service providers competing for the disability “consumers” funding allocation.~~

The problems of providing disability services with a market-based funding system include:

- Where governments have moved to a system of competitive tendering for the provision of human services, smaller community-run organisations have been squeezed out by larger organisations with greater economies of scale. A marketised distribution of funding ~~would have~~ **has** a similar affect **and will**
- ~~Already there are anecdotal reports of international for profit providers poised to move in on Disability Care. These would almost surely wipe-out those community based organisations struggling to survive on too few resources. This would only serve to~~ **will** reduce choice and enable some to get rich at the expense of people with disability.
- The state based systems have already demonstrated that a marketised system of service delivery cannot provide the full range of necessary supports. For people living in remote and regional areas or with very specific needs, there is often no choice of service provider or no appropriate service available.
- Under a marketised system, service users will generally try to extend their funding by seeking the lowest cost provider. This has the potential to see people with disabilities being used as a wedge to drive down the wages and conditions of workers in the sector. This has already been seen in WA where people with disabilities (or their families) have been advised that they can increase the hours of direct support they receive by directly

employing staff themselves on lower wages or even as “private and domestic” workers who are exempt from the entitlements and protection of WA industrial law.

- **Public funding of disability services should only go to services directly provided by government or to community run, not-for-profit service providers with democratic management structures that actively involve people with disabilities and/or their advocates in their decision-making processes.**
- **Private, for-profit organisations should not receive public funding. The direct involvement of people with disabilities and democratic control of service provision is the best way to efficiently allocate funds where they are required.**
- ~~While Socialist Alliance welcomes increased funding to disability services, we are opposed to the extension and generalisation of the market service delivery model as is proposed for Disability Care.~~

The support to and inclusion of people with disability is a fundamental human right of citizenship

The Socialist Alliance supports a national disability system that will genuinely enable the human rights of people with disability. We support ~~the implementation of~~ a national system that:

- Meets the needs and reflects the interests of all those with disability.
- Achieves an equitable system across all states and territories, **and across urban, regional and rural areas.**
- Allows for the portability of entitlement across states and territories.
- Supports people with disability regardless of the nature of that disability or how it was acquired.
- Works towards the full participation of people with disability and their families in society.

~~Public funding of disability services should only go to services directly provided by government or to community run not for profit service providers with democratic management structures that actively involve people with disabilities and/or their advocates in their decision making processes.~~

~~Private for profit organisations should not receive public funding. The direct involvement of people with disabilities and democratic control of service provision is the best way to efficiently allocate funds where they are required.~~

END

ⁱ<https://www.abc.net.au/news/2017-02-15/ndis-government-weighs-in-on-tax-increase-to-pay/8272206>

ⁱⁱ<https://ministers.dss.gov.au/media-releases/3656>

ⁱⁱⁱ<https://www.theguardian.com/australia-news/2017/sep/18/ndis-people-with-severe-mental-health-problems-being-denied-access-on-a-daily-basis>

^{iv} NDIS market approach: statement of opportunity and intent page 28, NDIS.gov.au November 2016

<https://www.afr.com/business/health/the-new-breed-of-entrepreneurs-chasing-ndis-profit-20170706-gx5n9b>

